THIRD AMENDMENT TO AGREEMENT WITH ARROYO GRANDE COMMUNITY HOSPITAL FOR HOSPITAL SERVICES

This THIRD AMENDMENT is entered into between the County of San Luis Obispo, a public entity in the State of California (hereafter referred to as "County") and Dignity Health, a California nonprofit public benefit corporation formerly named Catholic Healthcare West, doing business as Arroyo Grande Community Hospital (hereafter "Contractor").

WHEREAS, pursuant to the California Welfare and Institutions Code, sections 17000 et seq., the County provides health care for eligible medically indigent adults; and

WHEREAS, pursuant to Welfare and Institutions Code, sections 17000 et seq., the County has established a County Medical Services Program (hereinafter SLO CMSP) to ensure the provision of health care services to eligible persons and to refer to individuals eligible for those health care services as CMSP patients ; and

WHEREAS, Contractor operates a State licensed general acute care hospital in Arroyo Grande, California, known as Arroyo Grande Community Hospital, which is able to provide hospital services and hospital capacity to assist County in carrying out its SLO CMSP; and

WHEREAS, County and Contractor (or its predecessors in interest) have had agreements for CMSP services since January 1, 1983; and

WHEREAS, the current agreement was approved by County on July 26, 2011 and covered fiscal year 2011-12; and

WHEREAS, the First Amendment to the current agreement was approved by County on August 21, 2012, extending the term another fiscal year, through June 30, 2013; and

WHEREAS, the Second Amendment to the current agreement was approved by County on July 16, 2013, further extending the term six (6) months, through June 30, 2014; and

WHEREAS, Contractor (or its predecessors in interest) has performed in a satisfactory manner under the agreements; and

WHEREAS, both parties wish to amend the current agreement to extend the term.

NOW THEREFORE, the parties agree as follows:

1. Paragraph 2, Term, shall be amended to read as follows:

   This Contract shall remain in effect for a term commencing on July 1, 2012 and ending on June 30, 2014, unless earlier terminated pursuant to the provisions of this Contract.

2. Appendix A, Compensation Schedule, will be replaced in its entirety with the updated version attached hereto.

3. All other terms and conditions of the Contract shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have caused their duly authorized representative to execute this First Amendment to Agreement with Arroyo Grande Community Hospital.

Executed as of the date set forth herein.

CONTRACTOR:

Dignity Health, dba Arroyo Grande Community Hospital

Tax ID: Held in Confidential File

By: _____ Date: 12/3/2013

Kenneth R Delehoit
Printed Name

Title: Administrator

COUNTY OF SAN LUIS OBISPO
A Public Entity in the State of California

By: _____ Date: _____
Chairperson of the Board of Supervisors

APPROVED AS TO FORM AND LEGAL EFFECT:

RITA L. NEAL
County Counsel

By: _____ 12/24/13
Deputy County Counsel Date

ATTEST:

By: _____
Julie Rodewald, County Clerk and Ex-Officio
Clerk of the Board of Supervisors

APPENDIX A

COMPENSATION SCHEDULE

Inpatient services	$1,425 per day
Outpatient Day surgeries	Case rate same as the inpatient per diem rate in effect at time of service. (Revenue Codes 360-369, 490-499, 750-759, 790-799)
Emergency room services	An all inclusive flat fee of $180. (Revenue Code 45X)
Other outpatient services	Services will be paid based on 100% of the Medi-Cal fee schedule.
Administrative days	25% of the inpatient per diem rate in effect at time of service. (Revenue Code 169)

San Luis Obispo CMSP defines as inpatient as a patient who is admitted to a hospital and who meets InterQual guidelines for acuity/intensity of care. An inpatient who does not meet these guidelines will be paid at the administrative day's rate.

CMSP-authorized (arranged by one phone call or phone message to CMSP utilization review) Outpatient Day surgeries that originate through the Emergency room shall be paid at the above Outpatient Day surgery rate. If the Outpatient Day surgery is not authorized by CMSP, the rate for the Emergency room visit and the day surgery will be at the Emergency room service rate.